
SPD100

1 TAC Chapter 216

Project Management Practices

Fundamentals

Version 1.5 – July 17, 2012



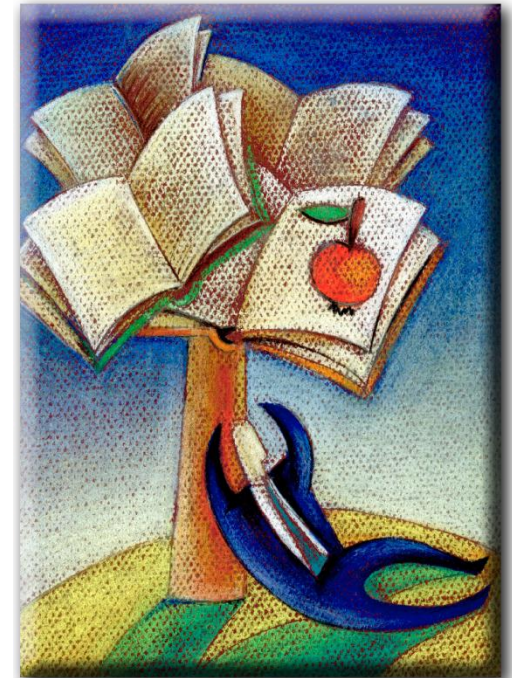
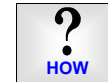
WWW.DIR.STATE.TX.US/MANAGEMENT/PROJECTDELIVERY

Introduction

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PROJECT MANAGEMENT PRACTICES FUNDAMENTALS
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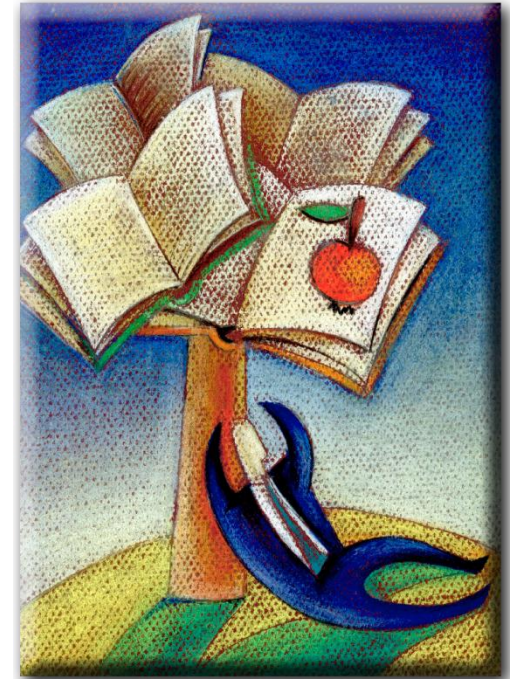
Agenda

- ▶ Objectives
- ▶ Resources
- ▶ **Statewide Project Delivery Basics**
 - ▶ Statewide Perspective
 - ▶ State of Texas Vision
 - ▶ Statewide and Agency Perspectives
- ▶ **Project Management Practices Rules**
- ▶ **Statewide Practices that Promote Alignment**
- ▶ Conclusion



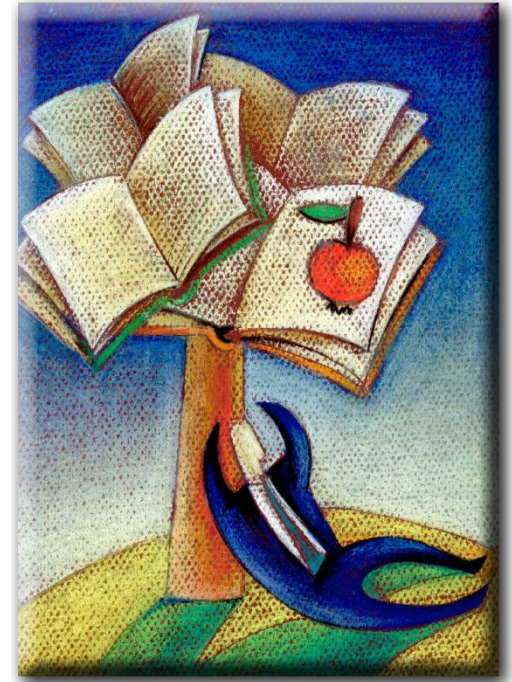
Objectives:

- ▶ Describe purpose and use of statewide requirements for agency project management practices
- ▶ Identify methods for implementing project management practices
- ▶ Identify how Texas Project Delivery Framework differs from and aligns with agency project management practices
- ▶ Describe role of agency versus role of statewide oversight entities
- ▶ Identify statewide practices that promote alignment with agency project management practices



Objectives: *Out of Scope*

- ▶ Texas Project Delivery Framework Fundamentals
- ▶ Statewide Submission Requirements



Resources

CONTACT INFORMATION

- ▶ projectdelivery@dir.texas.gov

WEB INFORMATION

- ▶ www.dir.texas.gov/management/projectdelivery/practices/Pages/Overview.aspx

PROJECT MANAGEMENT PRACTICES RULES

- ▶ [info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC?tac_view=4&ti=1&pt=10&ch=216](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=10&ch=216)

INFORMATION E-MAIL LISTS

- ▶ DIR Policy: lists.state.tx.us/mailman/listinfo/dir-policy

ADDITIONAL RESOURCES

- ▶ www.dir.state.tx.us/management/projectdelivery/projectframework

Statewide Project Delivery Basics

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Top Misconceptions

BASED ON STATEWIDE PERSPECTIVE AND OBSERVATION

Misconception	Reality
Framework or Quality Assurance Team (QAT) dictates project management practices	Agency defines project management practices
Project management practices hinder project delivery	Well-defined project management practices add value
Development of repeatable processes hinders project delivery	Use of repeatable processes improves project delivery
Framework is the project management methodology	Agency defines project management practices, including a methodology
QAT or DIR determines project classification	Agency defines project classification method

A Big Concern

- ▶ Too much focus on technology details at the expense of business outcomes while delivering technology-based solutions



AGENCY LEVEL



***business outcomes:** the results of the project that improve the ability of the organization to achieve its mission. Outcomes may include things such as fulfilling broad organization goals, attaining specific operational objectives, and providing specific, measurable operational improvements.*

STATEWIDE LEVEL

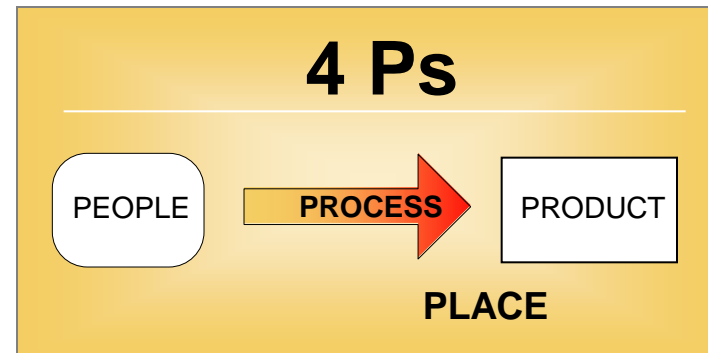
The 79th Texas Legislature adopted landmark IT legislation, including a project delivery framework, effective September 1, 2005.

Shared Vision for Texas

MAXIMIZE THE VALUE OF INVESTMENTS BY WORKING TOGETHER TO ADVANCE AGENCY MISSIONS

▶ Shared success will be achieved through

- ▶ Enhanced ability to deliver technology projects that focus on business needs
- ▶ Clear commitments
- ▶ Open and honest communications
- ▶ Collaboration that leverages the **shared strengths** of agencies, higher education institutions, and statewide entities such as the Quality Assurance Team (QAT) and the Contract Advisory Team (CAT)



Quality
\$
Time

Statewide and Agency Perspectives

STATEWIDE LEVEL



AGENCY LEVEL

Activities,
Processes,
and Tools

Activities,
Processes,
and Tools

TEXAS PROJECT DELIVERY
FRAMEWORK

Project Management
Practices

Texas Project Delivery Framework



- ▶ Establishes a consistent, statewide method for project selection, control, and evaluation aligned with business goals and objectives
- ▶ Shifts focus from technology details to prioritized business goals and outcomes
- ▶ Requires involvement of agency heads and other executive leaders
- ▶ Provides a statewide standard to:
 - ▶ ***Justify*** a project, including alternative solutions
 - ▶ ***Plan*** a project
 - ▶ ***Outsource*** a project
 - ▶ ***Implement*** a project
 - ▶ ***Assess*** a project

The Framework is...

- Guidance
- Toolset

for

MAJOR IR PROJECTS

TX GOV'T CODE §2054.003 (10)

and

MAJOR CONTRACTS

TX GOV'T CODE §2054.301 (b)

Framework: *What is Provided?*

- ▶ **Guidance and a toolset for delivering projects, including:**
 - ▶ Templates
 - ▶ Questionnaires
 - ▶ Checklists
 - ▶ Guidelines
 - ▶ Instructions
 - ▶ Activity Flows

- ▶ **Guidance also available as a printed handbook**

- ▶ **Access to relevant guidance and tools not developed or maintained by DIR**

Framework: *What Type of Tools are Provided?*

▶ **Currently includes three types of tool:**

▶ **Required**

- ▶ Must be used and approved
- ▶ Must sometimes be submitted to a state-level entity

▶ **Supplemental**

- ▶ Must be used or replaced by an equivalent tool that serves the same purpose and intent
- ▶ When an equivalent tool is used, it must include, at a minimum, the information identified in the Framework supplemental tool it is replacing
- ▶ Must sometimes be submitted to a state-level entity

▶ **Extensions**

- ▶ May be used to fit specific project and business needs
- ▶ Are not required to be submitted

Framework: *What is Not Provided?*

- ▶ A project management methodology (PMM)
- ▶ Specific agency-level structures, practices, and processes, unless mandated
- ▶ Specific guidance for project requirements, such as:
 - ▶ Security
 - ▶ E-records
 - ▶ Accessibility
 - ▶ Privacy

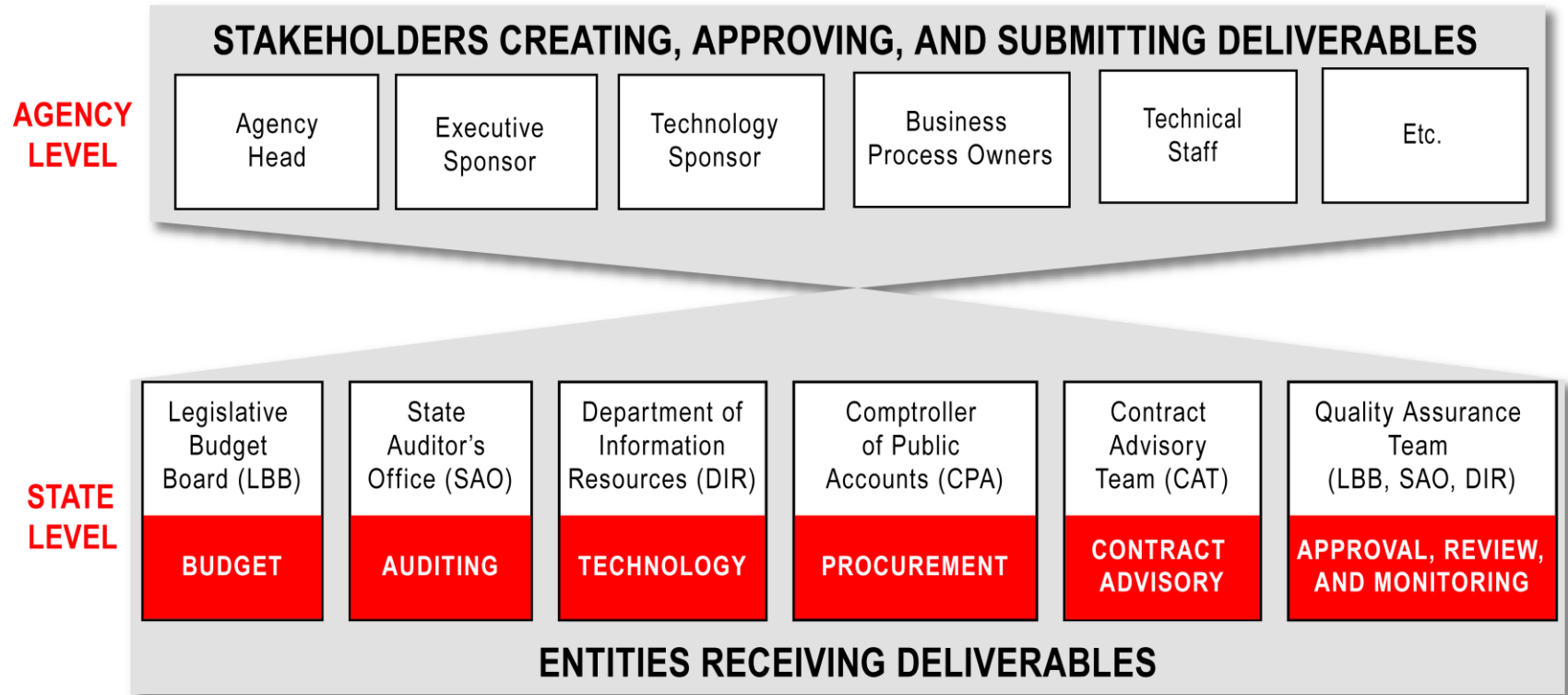
Framework Extensions will address these requirements in the future

Framework: *Agency/State Big Picture*

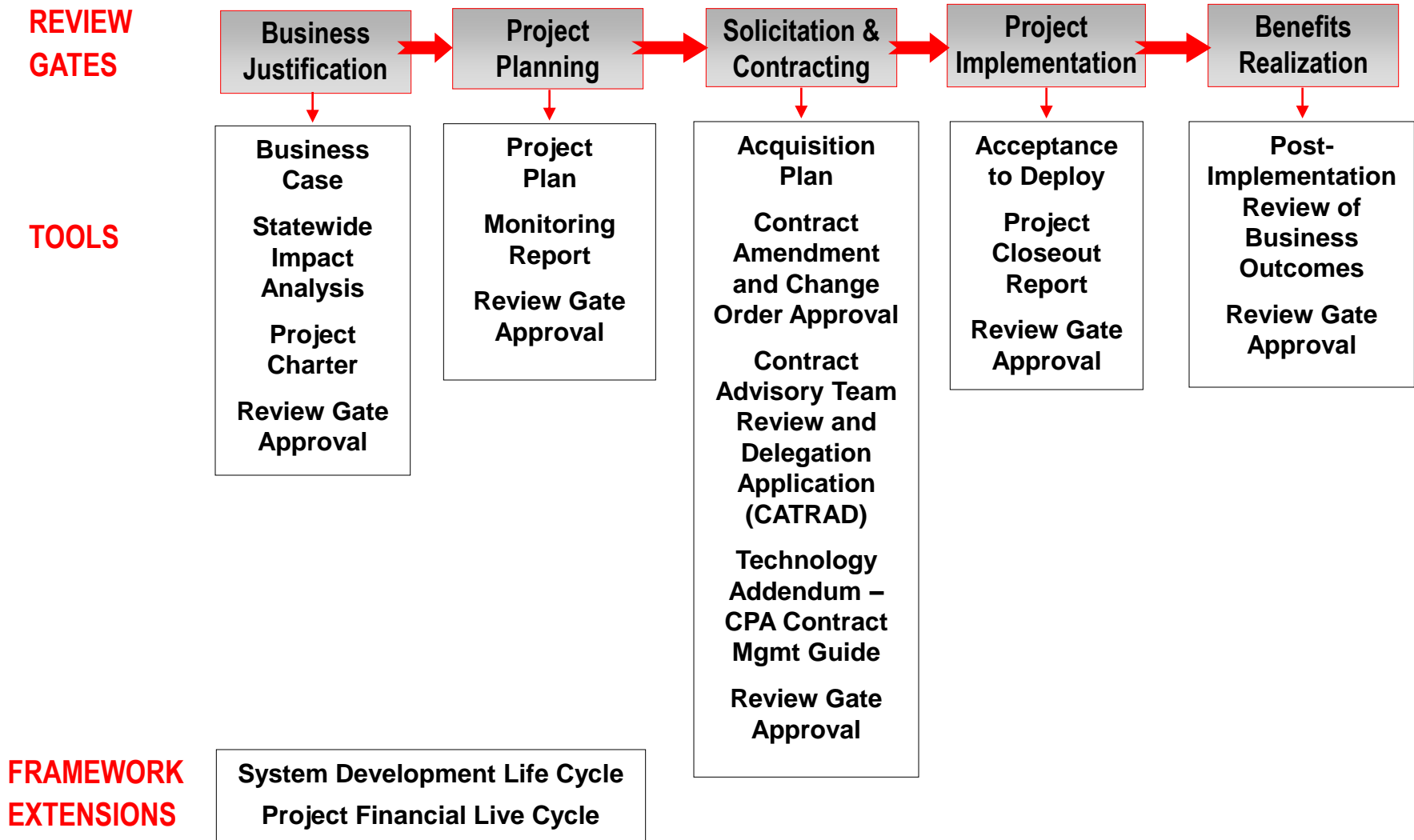


- ▶ **Agency must understand and effectively apply internal practices for activities such as:**
 - ▶ Project selection and approval
 - ▶ Change control
 - ▶ Contract management
 - ▶ Submission requirements

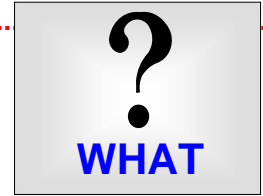
Framework: *Who Is Involved?*



Framework: *Tools*



Framework: *In Summary ...*



NOT SPECIFIC

- ▶ Provides the *what*, not the *how* – at least from an agency perspective
- ▶ Addresses a common project delivery dataset at a tool level, not a project management practices level

COMMON

- ▶ Focuses on common statewide goals – at least from a statewide perspective
- ▶ Provides a single statewide framework

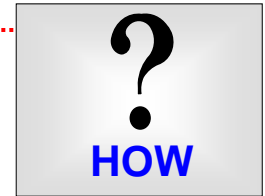
STATE-LEVEL RESOURCE

- ▶ Identifies the statewide requirements/expectations for project delivery in a single source – at least from an agency perspective
- ▶ Provides an opportunity for project management practices to couple with statewide practices

Project Management Practices

- ▶ **Project management practices are defined as:**

documented and repeatable activities through which a state agency applies knowledge, skills, tools, and techniques to satisfy project activity requirements



Project Management Practices: *What was Intended?*

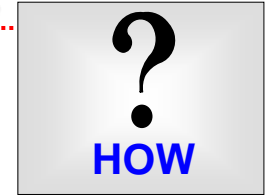
- ▶ DIR by rule shall establish guidelines for project management practices that take into account varying levels of project size and complexity (TX GOV'T CODE §2054.153)
- ▶ Focus on project management at the agency level
- ▶ Integrate with other similar or related disciplines that influence technology project delivery
- ▶ Emphasize Framework as separate and distinct from an agency's project management practices
- ▶ Are built upon standards such as
 - ▶ IEEE
 - ▶ ISO
 - ▶ PMBOK

Project Management Practices include...

- **Project Management Methodology**
- **Governance**
- **Toolset**
- **Etc.**

**for
ALL TECHNOLOGY PROJECTS**

Project Management Practices: *In Summary ...*



SPECIFIC

- ▶ Provides the *how*, not the *what* – at least from an agency perspective
- ▶ Addresses a consistent agency approach for project management at a process and tool level

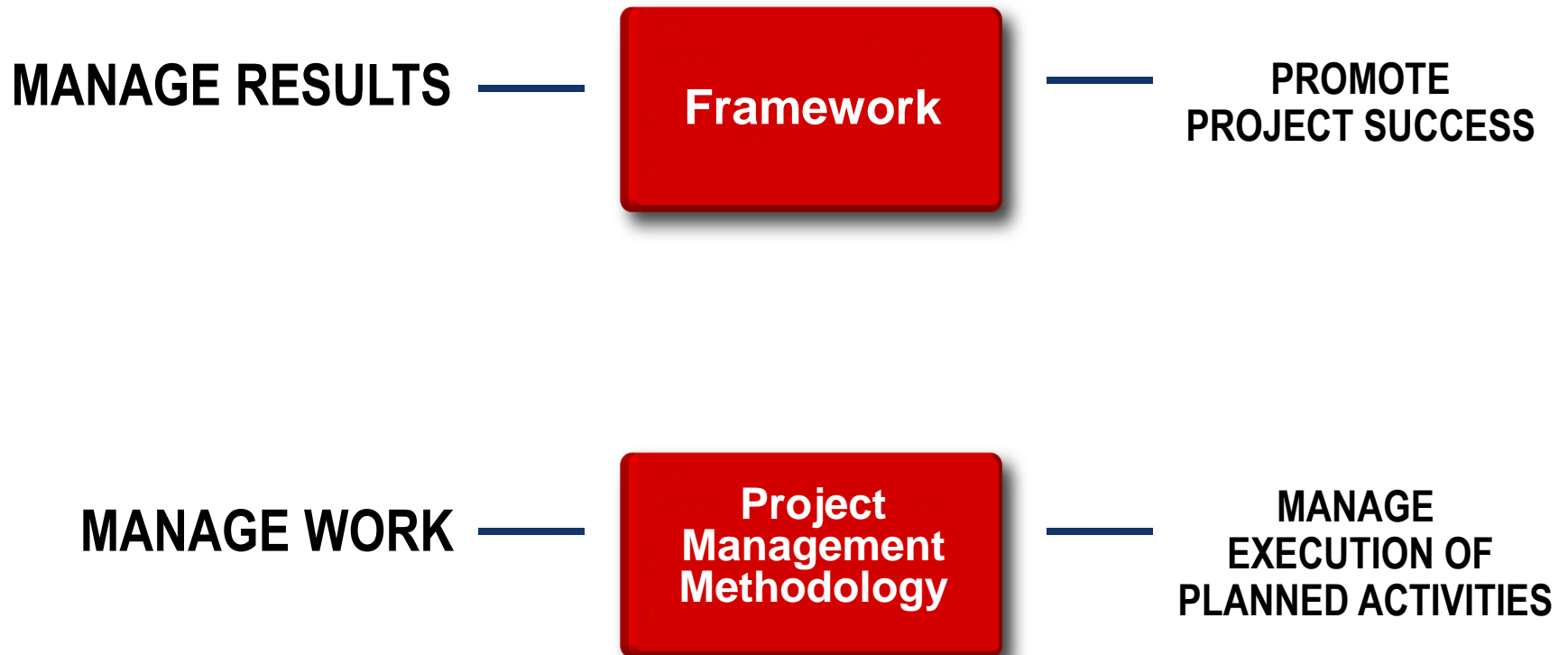
PRESCRIPTIVE

- ▶ Focuses on a method to establish, scale, and execute the appropriate level of processes
- ▶ Provides details (step by step)
- ▶ Conveys decision rules

AGENCY-LEVEL RESOURCE

- ▶ Identifies the agency requirements/expectations for project delivery in a single source – at least from an agency perspective
- ▶ Provides a basis for an agency's project management practices to couple with statewide practices
- ▶ Provides a basis for internal auditing functions

Project Management Practices: *Differences In Summary ...*



Project Management Practices Rules

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Project Management Practices: *Rules*



TEXAS ADMINISTRATIVE CODE (TAC) §216

- ▶ **Replaces the intent of the Internal Quality Assurance Guidelines**
 - ▶ In February 2000, DIR released the Internal Quality Assurance Guidelines, also referred to as Model Quality Assurance Guidelines, and adopted TAC §201.19
 - ▶ TAC §201.19 required state agencies to use the Guidelines to develop their own internal quality assurance procedures
 - ▶ In October 2007, DIR repealed TAC §201.19 and adopted TAC §216, which became effective November 2007
- ▶ **Communicates and establishes use of the Framework differently than project management practices**
- ▶ **Includes minimum project management criteria for agencies based on industry standards**



Project Management Practices include...

- **Project Management Methodology**
- **Governance**
- **Toolset**
- **Etc.**

for
ALL TECHNOLOGY PROJECTS

Project Management Practices Requirements: *Rules*

EACH STATE AGENCY SHALL INSTITUTE, APPROVE, AND PUBLISH AN OPERATING PROCEDURE...

- ▶ Identifies components and general use of project management practices, citing sources of reusable components adopted from another agency or institution of higher education
- ▶ Communicates an agency-wide approach
- ▶ Involves approval by the agency head or designee

AGENCY APPLICATION

- ▶ May use Standard Operating Procedures (SOPs)
- ▶ May be based on Policy Statements, Intent, and Procedures
- ▶ Encouraged to gain approval by highest level of management within *business* ranks

continued...

Project Management Practices Requirements: *Rules*

EACH STATE AGENCY SHALL INSTITUTE, APPROVE, AND PUBLISH AN OPERATING PROCEDURE...

AGENCY APPLICATION, continued

- ▶ Carefully consider project office structure and scope, if one exists
- ▶ Examine project delivery maturity across the agency
- ▶ Ensure application of practices is visible
- ▶ Consider maturity of individual components
- ▶ Evaluate sources from another agency

Project Management Practices Requirements: *Rules*

INCLUDE A METHOD FOR DELIVERY OF PROJECTS THAT SOLVE BUSINESS PROBLEMS

- ▶ Involves a method that proves whether a project will actually, and does actually, improve the mission of the agency
- ▶ Encourages repeatability to demonstrate a comparison of apples-to-apples

AGENCY APPLICATION

- ▶ Use some sort of project concept tool
- ▶ Rely heavily on use of the Framework Business Case for major IR projects, or a similar, if not the same, tool for smaller projects
- ▶ Incorporate governance that spans across the business ranks
- ▶ Implement tools that demonstrate, highlight, and characterize the benefits gained by the agency
 - ▶ Review the Framework Post-Implementation Review of Business Outcomes for opportunities
 - ▶ Connect project portfolio implementation to decisions

Project Management Practices Requirements: *Rules*

INCLUDE A METHOD FOR GOVERNING APPLICATION OF PROJECT MANAGEMENT PRACTICES

- ▶ Involves a method that helps ensure the project management practices are used and fit with business needs
- ▶ Provides a basis for decisions regarding continuous process improvement
- ▶ Promotes repeatability of use for the project management practices

AGENCY APPLICATION

- ▶ Seek ways to infiltrate the business ranks with actual use of the project management practices
- ▶ Identify unique approaches for ensuring the project management practices benefit everyone, not just IT
- ▶ Gain approval upfront from business stakeholders on process decisions that involve use of the project management practices

Project Management Practices Requirements: *Rules*

BE DOCUMENTED, REPEATABLE, AND INCLUDE A SINGLE REFERENCE SOURCE ... TO EFFECTIVELY APPLY USE OF THE PROJECT MANAGEMENT PRACTICES COMPONENTS

- ▶ Enables ease of use for the intended audience because of a single reference source
- ▶ Provides a single basis for maintaining process consistency, accuracy, etc.

AGENCY APPLICATION

- ▶ Develop a handbook, guide, repository, or some other source – one source promotes clarity
- ▶ Make the source easily accessible to the intended audience
- ▶ Train, educate on a daily basis, and find key ways to ensure the source is not shelf-ware

Project Management Practices Requirements: *Rules*

INCLUDE A PROJECT CLASSIFICATION METHOD DEVELOPED BY DIR, THE AGENCY, OR ANOTHER SOURCE

- ▶ Distinguishes and categorizes projects according to level of complexity and risk (e.g., technology, size, budget, time to deliver)
- ▶ Defines how to use the project classification method to establish, scale, and execute the appropriate level of processes

AGENCY APPLICATION

- ▶ Implement a method that actually works and fits the business needs of the agency
- ▶ Find the problem areas and then clarify how projects should be classified based on applicable criteria
- ▶ Reduce the project classification decisions to a simple flowchart or matrix
- ▶ Log different scenarios and use for future process improvement

Project Management Practices Requirements: *Rules*

INCLUDE A METHOD TO PERIODICALLY REVIEW, ASSESS, MONITOR, AND MEASURE THE IMPACT OF THE PROJECT MANAGEMENT PRACTICES ...

- ▶ Involves a method that helps the agency achieve its core mission
- ▶ Makes the project management practices more integrated, applicable, and appropriate to actual business needs – lessens the opportunity to live in a process silo

AGENCY APPLICATION

- ▶ Accept the true business priority is achieving the agency's mission – customer satisfaction is critical
- ▶ Accept measurement processes and activities are critical
- ▶ Recognize and accept that an agency must prove the value of having staff that develop, deliver, and improve project management practices

continued...

Project Management Practices Requirements: *Rules*

INCLUDE A METHOD TO PERIODICALLY REVIEW, ASSESS, MONITOR, AND MEASURE THE IMPACT OF THE PROJECT MANAGEMENT PRACTICES ...

AGENCY APPLICATION, continued

- ▶ Find ways to prove the connection between the actual project management practices and the business needs of the agency, and not just the actual project and the business needs
- ▶ Find the most simplistic, but useful approach for measuring value
- ▶ Examine all “cradle to grave” processes and outcomes, not just actual project implementation
- ▶ Establish metrics as part of a performance and/or quality management program

continued...

Project Management Practices Requirements: *Rules*

INCLUDE A METHOD TO PERIODICALLY REVIEW, ASSESS, MONITOR, AND MEASURE THE IMPACT OF THE PROJECT MANAGEMENT PRACTICES ...

AGENCY APPLICATION, *continued*

- ▶ Establish project success variables by considering:
 - ▶ Scope – totality of the set of defined requirements
 - ▶ Schedule – amount of project delivery time
 - ▶ Cost – amount of funding
 - ▶ Quality – degree to which operational performance meets all requirements (nonfunctional and unspecified)
 - ▶ Value – relative worth, utility, or importance of the project outcomes and results
 - ▶ Other – other factors as appropriate (e.g., risk, etc.)
- ▶ Consider use of earned value management (EVM) for measuring project progress in an objective manner within a single integrated methodology:
 - ▶ Technical performance – accomplishment of planned work
 - ▶ Schedule performance – behind/ahead of schedule
 - ▶ Cost performance – under/over budget

continued...

Project Management Practices Requirements: *Rules*

INCLUDE A METHOD TO PERIODICALLY REVIEW, ASSESS, MONITOR, AND MEASURE THE IMPACT OF THE PROJECT MANAGEMENT PRACTICES ...

AGENCY APPLICATION, *continued*

- ▶ Consider a process improvement approach such as Capability Maturity Model Integration (CMMI)
- ▶ Consider other types of metrics:
 - ▶ Consistency
 - ▶ Actual number of projects selected via governance practices
 - ▶ Actual number of projects using a (or any) given project management methodology
 - ▶ Actual number of projects that use some sort of Change Control Board (CCB) process
 - ▶ Effort
 - ▶ How many persons (or effort hours) used to support development, implementation, and improvement of project management practices
 - ▶ How many persons (or effort hours) used to support a CCB process
 - ▶ Return on Investment (ROI)
 - ▶ Benefit/cost ratio of using project management practices

continued...

Project Management Practices Requirements: *Rules*

INCLUDE A METHOD TO PERIODICALLY REVIEW, ASSESS, MONITOR, AND MEASURE THE IMPACT OF THE PROJECT MANAGEMENT PRACTICES ...

AGENCY APPLICATION, continued

- ▶ Define explicit methods for monitoring, such as:
 - ▶ Project performance dashboards
 - ▶ Triggers to flag changes in business outcomes
- ▶ Define explicit methods for assessment
 - ▶ Project performance baselines
 - ▶ Formal appraisal of project management effectiveness and/or process maturity
- ▶ Define explicit methods for review
 - ▶ Formal peer or team review of project management practices that are:
 - ▶ Led by dedicated staff
 - ▶ Implemented at project start, project end, review gates, other key milestones
 - ▶ Use of metrics based on formal project evidence collection methods

Project Management Practices Requirements: *Rules*

ALIGN WITH USE OF THE TEXAS PROJECT DELIVERY FRAMEWORK

- ▶ Communicates the Framework is not synonymous with project management practices
- ▶ Acknowledges the agency must do more than just the Framework

AGENCY APPLICATION

- ▶ Explore organizational maturity in terms of Framework knowledge and awareness
- ▶ Map use of the Framework to use of the project management practices
- ▶ Incorporate Framework practices and requirements in a way that is useful to the agency
- ▶ Establish a clear method to communicate how the agency project management practices bridge statewide requirements

Project Management Practices Requirements: *Rules*

ACCOMMODATE USE OF OTHER PRACTICES AND METHODS THAT INTERSECT WITH APPLICATION OF THE PROJECT MANAGEMENT PRACTICES

- ▶ Communicates that other practices and methods, separate and distinct from project management practices, are needed to deliver projects successfully
- ▶ Clarifies how those other practices and methods function in conjunction with the project management practices

AGENCY APPLICATION

- ▶ Identify relationships among project management practices components and other project delivery disciplines, tools, etc., such as portfolio management, and contracting and procurement
- ▶ Decide the boundaries and constraints for how the project delivery disciplines function together
- ▶ Establish a clear roadmap for addressing continuous process improvement based on the evolution of business needs and project delivery maturity

Project Management Practices Requirements: *Rules*

BE REVIEWED AND UPDATED AT LEAST ANNUALLY TO HELP ENSURE CONTINUOUS PROCESS IMPROVEMENT

- ▶ Requires an agency-wide focus on continuous improvement
- ▶ Provides basis for identification of problem areas

AGENCY APPLICATION

- ▶ Establish a repeatable approach for discovering, documenting, and analyzing problem areas
- ▶ Implement revision management procedures when appropriate
- ▶ Focus specifically on policy advancements

Project Management Practices Requirements: *Rules*

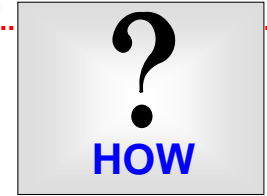
... SHALL IDENTIFY AND ADOPT ONE OR MORE STANDARDS AS A BASIS FOR PROJECT MANAGEMENT PRACTICES TO MEET PROJECT REQUIREMENTS IN A MINIMUM OF THE FOLLOWING KNOWLEDGE AREAS

- ▶ Integration management
- ▶ Scope management
- ▶ Schedule management
- ▶ Cost management
- ▶ Quality management
- ▶ Resources management
- ▶ Communications management
- ▶ Risk management
- ▶ Procurement (acquisition) management

AGENCY APPLICATION

- ▶ Identify more than one standard to satisfy the various knowledge areas
- ▶ Resolve which business needs are the most critical in terms of delivering successful projects
- ▶ Don't just adopt – proactively pursue aligning use of the standards with achieving the mission of the agency

Project Management Practices: *In Summary ...*



SPECIFIC

- ▶ Provides the *how*, not the *what* – at least from an agency perspective
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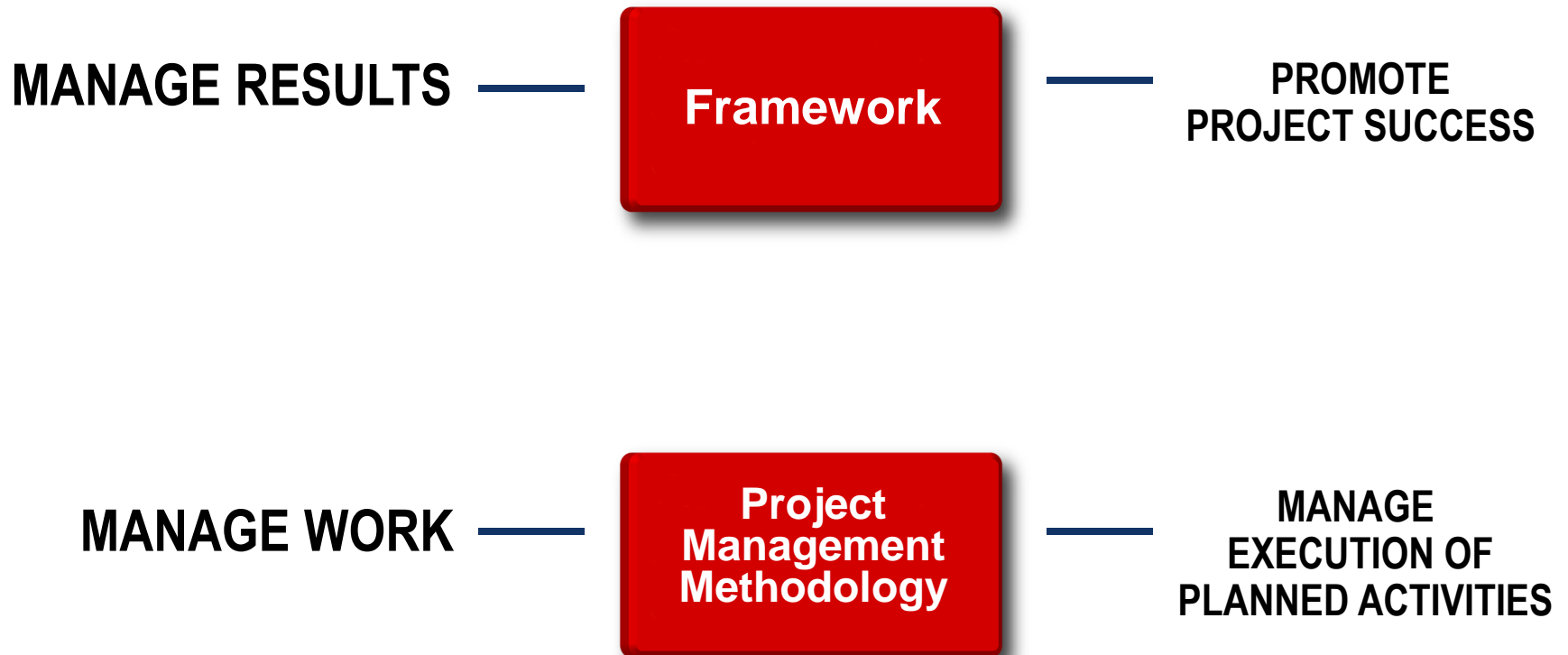
PRESCRIPTIVE

- ▶ Focuses on a method to establish, scale, and execute the appropriate level of processes
- ▶ Provides details (step by step)
- ▶ Conveys decision rules

AGENCY-LEVEL RESOURCE

- ▶ Identifies the agency requirements/expectations for project delivery in a single source – at least from an agency perspective
- ▶ Provides a basis for an agency's project management practices to couple with statewide practices
- ▶ Provides a basis for internal auditing functions

Project Management Practices: *Differences In Summary ...*



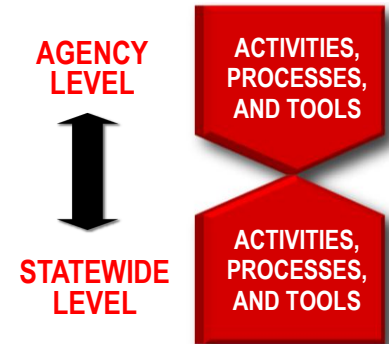
Statewide Practices that Promote Alignment

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Statewide Practices that Promote Alignment

FRAMEWORK PRACTICES THAT PROMOTE ALIGNMENT WITH AGENCY PRACTICES

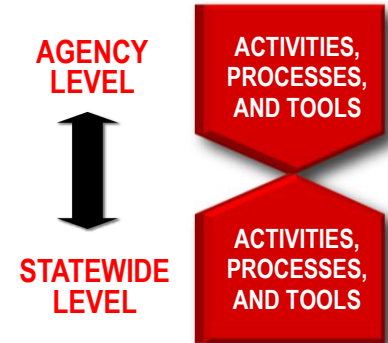
- ▶ Framework Version History
 - ▶ Relies on use of a Tool Version Inventory
 - ▶ Communicates revisions to Framework guidance, and each tool, separately
 - ▶ Enables agencies to identify and understand past revisions for audit, quality assurance, and other purposes
- ▶ Framework Change Advisory
 - ▶ Provides a method for any agency to submit change requests
 - ▶ Involves a Framework Change Advisory Board, which recommends revisions to DIR based on the submitted change requests
 - ▶ Promotes shared responsibility for the effectiveness and usefulness of the Framework in terms of alignment with agency needs



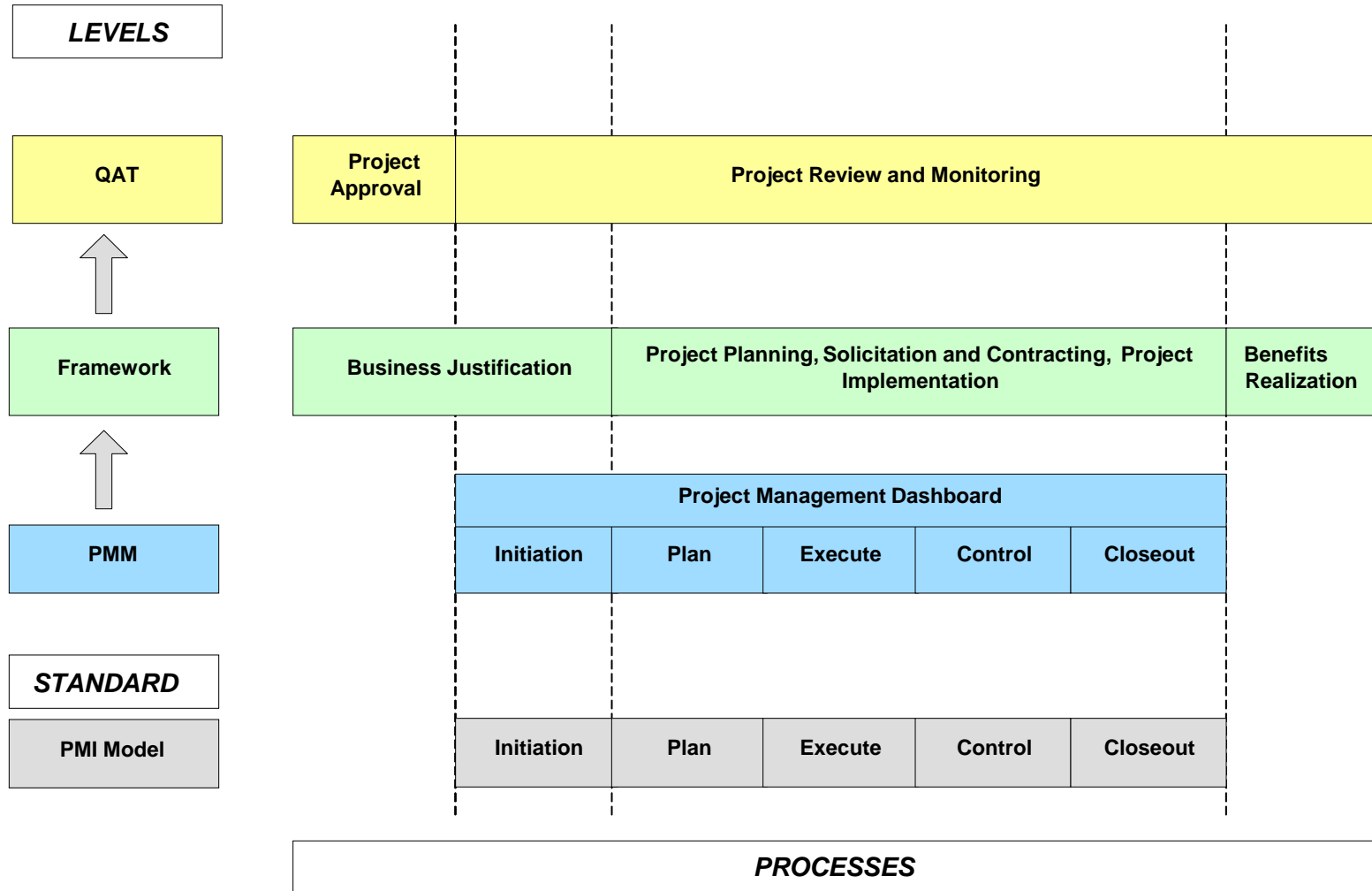
Statewide Practices that Promote Alignment

POLICY PRACTICES THAT PROMOTE ALIGNMENT WITH AGENCY PRACTICES

- ▶ Quality Assurance Team (QAT) Charter & Policy and Procedures Manual
 - ▶ Communicate function, roles, and responsibilities of the QAT
 - ▶ Provide a basis for agencies to align procedures with QAT procedures
- ▶ DIR Policy Announcements
 - ▶ Provide agencies the ability to receive e-mail notifications via a listserv
 - ▶ Alert agencies to upcoming events, revisions, etc.
 - ▶ Provide just enough information for an agency to decide on level of next steps

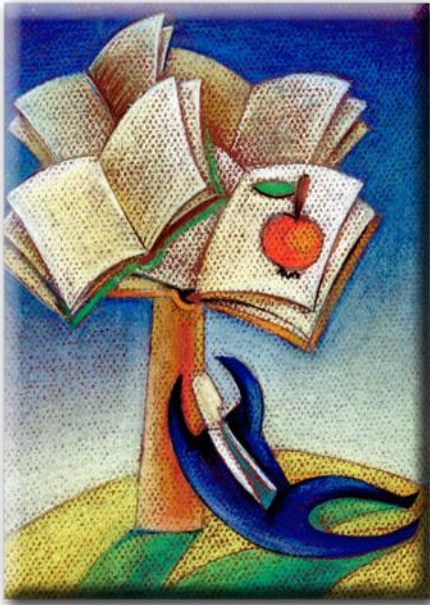


Framework Alignment with Agency & QAT Practices

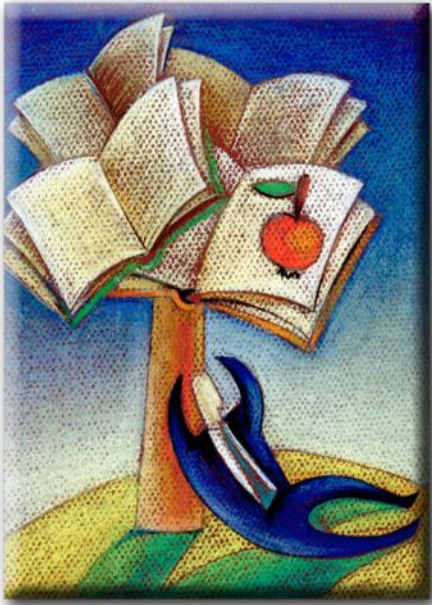


Conclusion

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- **MAXIMIZE THE VALUE OF INVESTMENTS BY WORKING TOGETHER TO ADVANCE AGENCY MISSIONS**
- **INSTITUTE, APPROVE, AND PUBLISH AN AGENCY OPERATING PROCEDURE THAT COMMUNICATES AN AGENCY-WIDE APPROACH FOR PROJECT MANAGEMENT PRACTICES INCLUDING REQUIREMENTS AND CRITERIA SPECIFIED IN 1 TAC CHAPTER 216**



HOW MAY WE HELP?

CONTACT INFORMATION

▶ projectdelivery@dir.texas.gov